

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
WESTERN DIVISION
No. 5:23-CV-00340-D-RN

SOUTHLAND NATIONAL INSURANCE §
CORPORATION in Liquidation; BANKERS §
LIFE, INSURANCE COMPANY in §
Rehabilitation; COLORADO BANKERS §
LIFE INSURANCE COMPANY in §
Rehabilitation; and the SPECIAL DEPUTY §
REHABILITATORS of COLORADO §
BANKERS LIFE INSURANCE COMPANY §
and BANKERS LIFE INSURANCE §
COMPANY and the SPECIAL DEPUTY §
LIQUIDATORS of SOUTHLAND §
NATIONAL INSURANCE §
CORPORATION, on behalf of both the §
policyholders and creditors of each of these §
insolvent companies, §

Plaintiffs, §

v. §

GREG E. LINDBERG, CHRISTOPHER §
HERWIG, DEVIN SOLOW, GLOBAL §
GROWTH HOLDINGS, INC., STANDARD §
ADVISORY SERVICES, LTD., EDWARDS §
MILL ASSET MANAGEMENT, LLC, §
ACADEMY FINANCIAL ASSETS, LLC, §
ALPHARETTA, LLC, AR PURCHASING §
SOLUTIONS, LLC, AR PURCHASING §
SOLUTIONS 2, LLC, COMPLYSMART, §
LLC, AUGUSTA ASSET MANAGEMENT, §
LLC, BALDWIN ASSET MANAGEMENT, §
LLC, CAPITAL ASSETS FUND I, LLC, §
CAPITAL ASSETS FUND II, LLC, §
CAPITAL ASSETS FUND IV, LLC, §
CAPITAL ASSETS FUND V, LLC, §
CAPITAL ASSETS MANAGEMENT, II, §
LLC, CAPITAL ASSETS MANAGEMENT §
III, LLC, CHATSWORTH ASSET §
MANAGEMENT, LLC, CV §
INVESTMENTS, LLC, DAMASCUS §
ASSET MANAGEMENT, LLC, EPHEBUS §

DEFENDANTS' PARTIAL
MOTION TO DISMISS

ASSET MANAGEMENT, LLC, FOREST	§
PARK ASSET	§
MANAGEMENT, LLC, GBIG HOLDINGS,	§
LLC, GILFORD ASSET MANAGEMENT,	§
LLC, HAMPTON ASSET	§
MANAGEMENT, LLC,	§
HPCSP INVESTMENTS, LLC, INTRALAN	§
INVESTMENTS LIMITED, IRON CITY	§
ASSET MANAGEMENT, LLC, ITECH	§
FUNDING, LLC,	§
JACKSON ASSET MANAGEMENT, LLC,	§
KITE ASSET MANAGEMENT, LLC,	§
LILLY ASSET MANAGEMENT, LLC,	§
MARSHALL ASSET	§
MANAGEMENT, LLC, PARADISE	§
ASSET MANAGEMENT, LLC,	§
ROCKDALE ASSET MANAGEMENT,	§
LLC, STANDARD FINANCIAL	§
LIMITED, SUMMERVILLE ASSET	§
MANAGEMENT, LLC, and TYBEE	§
ISLAND ASSET MANAGEMENT, LLC,	§
	§
<i>Defendants.</i>	§

Defendants Greg E. Lindberg; Global Growth Holdings, Inc.; Academy Financial Assets, LLC; Alpharetta, LLC; AR Purchasing Solutions, LLC; AR Purchasing Solutions 2, LLC; ComplySmart, LLC; Augusta Asset Management, LLC; Baldwin Asset Management, LLC; Capital Assets Fund I, LLC; Capital Assets Fund II, LLC; Capital Assets Fund IV, LLC; Capital Assets Fund V, LLC; Capital Assets Management II, LLC; Capital Assets Management III, LLC; Chatsworth Asset Management, LLC; CV Investments, LLC; Damascus Asset Management, LLC; Ephesus Asset Management, LLC; Forest Park Asset Management, LLC; GBIG Holdings, LLC; Gilford Asset Management, LLC; Hampton Asset Management, LLC; HPCPS Investments, LLC; Iron City Asset Management, LLC; iTech Funding, LLC; Jackson Asset Management, LLC; Kite Asset Management, LLC; Lilly Asset Management, LLC; Marshall Asset Management, LLC; Paradise Asset Management, LLC; Rockdale Asset Management, LLC; Summerville Asset

Management, LLC; and Tybee Island Asset Management, LLC (“Moving Defendants”), pursuant to Rules 8(a), 9(b), and 12(b)(6) of the Federal Rules of Civil Procedure, hereby file this Partial Motion to Dismiss requesting dismissal of Counts 1 through 5, 8, and 9 of the Complaint filed on June 23, 2023 (ECF 1) by Plaintiffs Southland National Insurance Corporation in Liquidation; Bankers Life, Insurance Company in Rehabilitation; Colorado Bankers Life Insurance Company in Rehabilitation; and the Special Deputy Rehabilitators of Colorado Bankers Life Insurance Company and Bankers Life Insurance Company and the Special Deputy Liquidators of Southland National Insurance Corporation, on behalf of both the Policyholders and Creditors of each of these Insolvent Companies (“Plaintiffs”), for failure to state a claim upon which relief can be granted, and for further relief as the Court deems just and proper.

Counts 1 through 5, 8, and 9 are, respectively: Violation of 18 U.S.C. § 1962(c) against all Defendants; Violation of 18 U.S.C. § 1962(a) against all Defendants; Violation of 18 U.S.C. § 1962(b) against Defendants Lindberg, Herwig, Solow, GGHI, SASL, EMAM, AFA, and GBIG Holdings; Conspiracy to Commit Racketeering (Federal) against all Defendants; Racketeering (North Carolina) against all Defendants; Civil Conspiracy against all Defendants; and Unfair and Deceptive Trade Practices under N.C. Ge. Stat. § 75-1.1 against all Defendants.

As set forth in the Moving Defendants’ Memorandum in Support of their Partial Motion to Dismiss, filed contemporaneously with this motion, Counts 1 through 5, 8, and 9 should be dismissed because Plaintiffs’ complaint does not meet the applicable pleading standard.

Accordingly, Moving Defendants request that Counts 1 through 5, 8, and 9 of Plaintiffs’ Complaint be dismissed pursuant to Rules 8(a), 9(b), and 12(b)(6) of the Federal Rules of Civil Procedure.

**CONDON TOBIN SLADEK THORNTON
NERENBERG PLLC**

/s/ Jared T.S. Pace

Jared T.S. Pace (*Special Appearance*)

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Inc.; Academy Financial Assets, LLC;

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LLC; AR Purchasing Solutions 2, LLC;

ComplySmart, LLC; Augusta Asset

Management, LLC; Baldwin Asset

Management, LLC; Capital Assets Fund I,

LLC; Capital Assets Fund II, LLC; Capital

Assets Fund IV, LLC; Capital Assets Fund V,

LLC; Capital Assets Management II, LLC;

Capital Assets Management III, LLC;

Chatsworth Asset Management, LLC; CV

Investments, LLC; Damascus Asset

Management, LLC; Ephesus Asset

Management, LLC; Forest Park Asset

Management, LLC; GBIG Holdings, LLC;

Gilford Asset Management, LLC; Hampton

Asset Management, LLC; HPCPS Investments,

LLC; Iron City Asset Management, LLC; iTech

Funding, LLC; Jackson Asset Management,

LLC; Kite Asset Management, LLC; Lilly Asset

Management, LLC; Marshall Asset

Management, LLC; Paradise Asset

Management, LLC; Rockdale Asset

*Management, LLC; Summerville Asset
Management, LLC; and Tybee Island Asset
Management, LLC*

CERTIFICATE OF SERVICE

The undersigned counsel hereby certifies that on September 5, 2023, the foregoing document was electronically filed with the Clerk of Court and served on all counsel of record using the Court's CM/ECF system.

/s/ Jared T.S. Pace
Jared T.S. Pace (*Special Appearance*)